

CITY AUDITOR'S REPORT

MONDAY, FEBRUARY 27, 2012

2012 ADMISSION FEE/TAX

WE RECEIVED CHECKS IN THE AMOUNT OF \$4,169.49 FROM THE READING PHILLIES FOR JANUARY'S ADMISSION FEES/TAXES. THE SOVEREIGN CENTER & PERFORMING ARTS CENTER EVENT FEES TOTALLED \$13,847.78 FOR JANUARY SALES. EVENTS INCLUDED IN THESE RECEIPTS ARE FROM PERFORMANCES BY ICE RACING, CIRQUE SHANGHAI, TNA WRESTLING, "ROCK OF AGES", JOHN PINETTE AND THE READING SYMPHONY ORCHESTRA, JUST TO NAME A FEW. ALSO THIS MONTH, WE RECEIVED \$4,543.15 FROM READING ROYALS HOCKEY FOR JANUARY'S SALES.

THE 2012 BUDGET LIST \$504,000 AS EXPECTED REVENUE.

THE FOLLOWING CHARTS LIST ANNUALLY (2008-2012) THE ADMISSION FEES BY SPORT/VENUE:

ADMISSION FEE/TAX	2008	2009	2010	2011	JAN. 2012
READING PHILS -1 ST ENERGY STADIUM	\$85,828.62	\$94,788.30	\$98,219.57	\$104,498.69	\$4,169.49
READING ROYALS - SOVEREIGN CENTER	\$100,129.25	\$55,054.89	\$61,494.30	\$60,719.57	\$4,543.15
OTHER- SOVEREIGN CENTER	\$236,337.38	\$232,589.23	\$252,268.74	\$117,376.12	\$2,057.83
PERFORMING ARTS CENTER	\$132,528.70	\$99,602.64	\$100,701.62	\$140,860.56	\$11,789.95
TOTAL REVENUE	\$554,823.95	\$482,035.06	\$512,684.23	\$423,454.94	\$22,560.42
BUDGETED REVENUE	\$550,000.00	\$600,000.00	\$450,000.00	\$480,000.00	\$504,000.00
OVER/UNDER BUDGET	\$4,823.95	-\$117,964.94	\$62,684.23	-\$56,545.06	

REAL ESTATE TRANSFER TAX – 1/1/2008 TO 01/31/2012

THIS IS AN UPDATE ON THE REAL ESTATE TRANSFER TAX RECEIPTS SINCE I LAST REPORTED IN MY JANUARY 23, 2012 REPORT. THIS TAX WAS 1% ('02), 1.5% ('03), 2% ('04-'05), AND 3.5% FOR ('06-'12).

THE FOLLOWING CHART ILLUSTRATES ACTUAL DATA FROM 01/2008 - 01/2012. IN JANUARY 2012 THERE WERE 108 REAL ESTATE TRANSFER TRANSACTIONS, OF WHICH 72 WERE TAXABLE TRANSACTIONS. THE CITY'S PROCEEDS IN JANUARY TOTALLED \$88,765.23. THE CURRENT 2012 BUDGET LISTS \$2,000,000 AS EXPECTED REVENUE.

	2012	2011	2010	2009	2008
January	88,765.23	90,044.35	159,017.30	148,961.51	652,118.37
February	?????????	135,391.03	106,687.67	142,169.66	228,471.03
March	?????????	214,724.17	229,645.70	185,351.64	249,460.68
April	?????????	156,823.78	393,268.60	258,946.66	546,640.28
May	?????????	174,829.49	384,978.30	242,328.73	392,206.10
June	?????????	221,457.20	349,449.25	204,198.52	352,496.09
July	?????????	121,372.42	222,286.60	182,852.57	267,767.04
August	?????????	179,026.81	185,037.44	189,488.42	371,358.83
September	?????????	187,496.67	128,921.23	301,455.52	279,643.32
October	?????????	255,432.51	204,050.03	273,838.88	236,179.13
November	?????????	287,145.90	240,401.03	214,016.65	268,455.35
December	?????????	208,991.89	209,455.28	232,908.94	158,499.81
Entire Year	?????????	2,232,736.22	2,813,198.43	2,576,517.70	4,003,296.03
Budget	2,000,000.00	2,750,000.00	2,500,000.00	5,000,000.00	7,215,868.00
Over Budget	?????????	<517,263.78>	313,198.43	<2,423,482.30>	<3,212,571.97>

THE FOLLOWING CHARTS LISTS THE TOTAL NUMBER OF MONTHLY REAL ESTATE TRANSFER TRANSACTION MINUS NON-TAXABLE TRANSACTIONS TO ARRIVE AT TAXABLE TRANSACTIONS. FOR EXAMPLE, IN JANUARY 2012 THERE WERE 108 TRANSACTIONS MINUS 36 NON-TAXABLE TRANSACTIONS, WHICH LEAVES 72 TAXABLE TRANSACTIONS.

	2012	2011	2010	2009	2008
J	108-36=72	101-44=57	145-54=91	123-55=68	213-67=146
F		126-49=77	103-37=66	137-44=93	190-51=139
M		144-43=101	212-67=145	167-47=120	174-47=127
A		121-31=90	193-59=134	163-54=109	282-62=220
M		168-52=116	208-73=135	169-40=129	225-46=179
J		175-39=136	185-51=134	171-60=111	213-56=157
J		127-48=79	149-44=105	161-62=99	201-48=153
A		153-39=114	161-55=106	141-48=93	195-53=142
S		141-40=101	114-31=83	137-39=98	183-50=133
O		181-52=129	201-72=129	219-67=152	184-64=120
N		149-31=118	120-33=87	175-65=110	156-55=101
D		172-61=111	153-45=108	163-44=119	134-39=95
T		1758-529=1229	1944-621=1323	1926-625=1301	2350-638=1712

REAL ESTATE TRANSFER TAX 2002-2011

THE CHART BELOW ILLUSTRATES THE NUMBER OF TAXABLE AND NON-TAXABLE TRANSACTIONS, THE TRANSFER TAX REVENUES, THE TAX RATES AND THEIR RELATED PROPERTY VALUES FROM 2002-2011.

AS SHOWN BY THE CHART, FROM 2002-2006 WE HAD AN ANNUAL INCREASE IN THE NUMBER OF PROPERTIES SOLD FROM 2,853 (2002) TO 4,292 (2006). THE TAX REVENUE INCREASED DRAMATICALLY FROM \$756,624.49 (1% IN 2002) TO \$7,448,904.79 (3.5% IN 2006). BEGINNING IN 2007, WE SAW A RAPID DECLINE IN VOLUME FROM 3,263 SOLD PROPERTIES TO 1,758 IN 2011. TAXABLE TRANSACTIONS ALSO DECREASED FROM 2,609 IN 2007 TO 1,229 IN 2011. THE TRANSFER TAX REVENUE DECREASED AS WELL GOING FROM \$6,715,624.02 IN 2007 TO \$2,232,736.22 IN 2011. ALSO OF NOTE IS THAT THE VALUE OF THE PROPERTIES SOLD IN 2011 (\$63,792,463) IS SMALLER THAN THE VALUES IN 2002 (\$75,662,449).

YEAR	TRANSACTIONS	TRANSFER TAX REVENUE	% RATE	PROPERTY VALUE
2011	1758-529=1229	\$2,232,736.22	3.5%	\$63,792,463
2010	1944-621=1323	\$2,813,198.43	3.5%	\$80,377,098
2009	1926-625=1301	\$2,576,517.70	3.5%	\$73,614,791
2008	2350-638=1712	\$4,003,296.03	3.5%	\$114,379,886
2007	3263-654=2609	\$6,715,624.02	3.5%	\$191,874,972
2006	4292-791=3501	\$7,448,904.79	3.5%	\$212,825,851
2005	4040-928=3112	\$4,057,080.76	2.0%	\$202,854,038
2004	3777-1032=2745	\$2,619,484.33	2.0%	\$130,974,216
2003	3002-862=2140	\$1,276,860.44	1.5%	\$85,124,029
2002	2853-816=2037	\$756,624.49	1.0%	\$75,662,449

BATTLE OF THE BADGES 2012

ON SUNDAY, FEBRUARY 26TH, THE 7TH ANNUAL BATTLE OF THE BADGES ICE HOCKEY GAME WAS PLAYED AT THE SOVEREIGN CENTER. THIS EVENT, PITTING READING POLICE VERSUS READING FIRE, RAISED MONEY FOR SCHOLARSHIPS FOR CHILDREN OF READING POLICE AND FIRE PERSONNEL. FOR THE FIFTH TIME IN SEVEN GAMES, THE FIRE TEAM WON THE GAME, THIS TIME BY THE SCORE OF 3-2.